



COURSE DATA

DATA SUBJECT

Code: 36703
Name: Political Economy
Cycle: Undergraduate Studies
ECTS Credits: 6
Academic year: 2025-26

STUDY (S)

Degree	Center	Acad. year	Period
1335 - Degree in Political and Public Administration Sciences	Facultat de Dret	1	Second quarter

SUBJECT-MATTER

Degree	Subject-matter	Character
1335 - Degree in Political and Public Administration Sciences	Economía	BASIC

COORDINATION

PUCHADES NAVARRO MIGUEL

SUMMARY

This course aims to introduce students to the basic concepts, terminology, and methodological principles of economics, as well as to understand the basic aspects of the functioning of the economic system and the main economic theories and their application in the design of economic policies to improve resource allocation, income redistribution, and economic stability. The course addresses not only the functioning of the market as a coordinating mechanism for individual economic decisions but also the mechanisms of collective decision-making through the political process, a dimension of particular relevance in the development of basic skills for identifying the effects of public sector regulatory activity. The aim is to foster students' ability to understand basic economic problems and proposed solutions that may arise in their future professional development, as well as to solve issues related to other subjects in the degree.

The course content begins by introducing the conceptual and methodological framework of economics as a social science and of economic systems, and then continues with an analysis of market functioning from a microeconomic perspective. The program analyzes the behavior of the economic agents, consumers and producers, and how their interaction allows to explain the functioning of the market mechanism in its allocative and distributive functions, as well as the results of different market structures and their economic efficiency. This section concludes with an analysis of market failures that justify public sector intervention in their correction, as well as an analysis of collective decision-making mechanisms and their problems.

The second part of the program is devoted to the analysis of the economy as a whole. The basic concepts



of national accounting and macroeconomic aggregates are introduced, as well as the basic elements for understanding fluctuations in economic activity, the functioning of the financial system, and the relationship between monetary aggregates and economic activity. Starting from these theoretical foundations, allows us to analyze the use of macroeconomic, fiscal, and monetary policies for economic stability purpose and the evaluation of their results.

PREVIOUS KNOWLEDGE

RELATIONSHIP TO OTHER SUBJECTS OF THE SAME DEGREE

There are no specified enrollment restrictions with other subjects of the curriculum.

OTHER REQUIREMENTS

COMPETENCES / LEARNING OUTCOMES

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Conocer y saber analizar el entorno económico, la dimensión económica del sector público y las técnicas de gestión económica de proyectos.

Pensamiento crítico.

Saber utilizar los métodos y técnicas de análisis cuantitativos y cualitativos, así como el método comparativo.

Students must be able to apply their knowledge to their work or vocation in a professional manner and have acquired the competences required for the preparation and defence of arguments and for problem solving in their field of study.

Students must be able to communicate information, ideas, problems and solutions to both expert and lay audiences.

Students must have acquired knowledge and understanding in a specific field of study, on the basis of general secondary education and at a level that includes mainly knowledge drawn from advanced textbooks, but also some cutting-edge knowledge in their field of study.

Students must have developed the learning skills needed to undertake further study with a high degree of autonomy.

Students must have the ability to gather and interpret relevant data (usually in their field of study) to make judgements that take relevant social, scientific or ethical issues into consideration.

Trabajo en equipo.



DESCRIPTION OF CONTENTS

1. CONCEPT AND METHOD IN ECONOMICS

1. Concept of Political Economy: Economics as a social science.
2. Methodology in economics: economic models
3. Basic economic problems: scarcity and the need of choice
4. Production possibilities and resource allocation
5. Basic economic decisions and economic systems: system types

2. BASIC ANALYSIS OF THE MARKET AND THE PRICE SYSTEM

1. Market Demand and Supply
2. Market Equilibrium: Determination of Prices and Quantities
3. Changes in Equilibrium: Changes in Supply and Demand
4. Government Intervention in Markets: Price Controls, Taxes, and Subsidies
5. Consumer and Producer Surplus

3. CONSUMER BEHAVIOR AND DEMAND FUNCTION

1. Utility and the Demand Curve
2. Maximizing Consumer Utility
3. Ordering Consumer Preferences



4. The Budget Constraint

5. Consumer Equilibrium

4. PRODUCTION AND COSTS IN THE FIRM

1. The Firm as an Economic Agent

2. Short-Run Production Decisions: The Law of Diminishing Marginal Returns

3. Long-Run Production: Returns to Scale

4. Costs in the Short Run

5. Costs in the Long Run: Economies of scale

5. PERFECT COMPETITION AND MONOPOLY

1. Maximization Profit Conditions

2. The equilibrium of the competitive firm in the short and long run

3. Efficiency of competitive markets

4. Monopoly: causes of the emergence of monopolies

5. The equilibrium of the monopolistic firm

6. Inefficiency of monopoly

6. MONOPOLISTIC COMPETITION AND OLIGOPOLY MARKETS



1. Monopolistic competition and product differentiation
2. Behavioural patterns in Oligopoly
3. Strategic Behaviour in Oligopoly
4. Market structures and market power
5. The regulation of competition constrain practices

7. MARKET FAILURES AND COLLECTIVE DECISIONS

1. Market failures: competition failures, public goods, and externalities
2. Remedies to market failures
3. Allocative Efficiency in the Provision of Public Goods
4. Individual Choice and Collective Choice
5. Collective Choice Mechanisms: Analysis of Voting Systems
6. Public Sector Failures

8. MEASURES OF ECONOMIC ACTIVITY, EMPLOYMENT, AND PRICES LEVEL

1. Measuring economic activity: Total Product and Income
2. Components of Aggregate Expenditure
4. National Accounting
5. Measuring Employment and Activity



6. Measuring Price Level: Price Index

9. ANALYSIS OF AGGREGATE DEMAND AND SUPPLY AND THE BUSINESS CYCLE

- 1. The Business Cycle
- 2. The Aggregate Demand and Supply Model
- 3. Determining Macroeconomic Equilibrium
- 4. Fiscal Policy: Objectives and Instruments
- 5. The Fiscal Policy Multiplier
- 6. Fiscal Policy Constrains

10. MONEY, PRICES, AND ECONOMIC ACTIVITY

- 1. Money: Concept, Functions, and Historical Evolution
- 2. The Financial System: Bank System, and Money Creation
- 3. The European Central Bank and the Monetary Union
- 4. Monetary Policy: Functions, Objectives, and Instruments
- 5. Monetary Policy and Aggregate Demand: Effects on Prices and Output

WORKLOAD

PRESENCIAL ACTIVITIES

Activity	Hours
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Theoretical and practical classes	60,00
Total hours	60,00

NON PRESENCIAL ACTIVITIES

Activity	Hours
Attendance at other activities	0,00
Individual or group project	15,00
Independent study and work	25,00
Preparation of lessons	30,00
Preparation for assessment activities	20,00
Resolution of case studies	0,00
Total hours	90,00

TEACHING METHODOLOGY

The teaching-learning methodology for the course is structured into three types of activities:

In-person theoretical and practical classes, primarily devoted to deliver master classes within an Open Class setting, encouraging debate and student participation in topics related to the content being covered in the session.

In-person activities to be carried out by students, which may consist of solving problems posed in class and presenting work completed on recommended readings previously indicated by the professor.

Out-of-class activities for students, in accordance with the guidelines provided by the professor, may consist of the following:

- a. Preparing classes based on bibliographies and other teaching materials previously available in ¿Aula Virtual¿.
- b. Completion of exercises, problems, and assignments that the professor will make available to the student, to be solved individually and delivered on the dates indicated.
- c. Attendance at professor's tutorials to resolve any questions regarding the course content, completion of assignments, and other issues related to the content of the subject.
- d. Preparation for the final exam, which aims to assess the student's understanding and knowledge of the material taught in class and any additional material indicated by the professor.

EVALUATION



The evaluation and control of learning will cover the whole contents of the subject.

The assessment of students' learning in this subject will include two elements: On the one hand, a written final exam at the end of the term, assessing the level of achievement of learning on subject-specific competencies regarding content and application; and on the other, a continuous evaluation of the activities developed by the students during the course.

The final exam worths 70 % of the final grade. The final exam could include both multiple choice and essay questions. In order to pass the subject, **an exam mark of 5 out of 10 or more will be required**. The type of the exam could be modified when, for any of the reasons provided for in the regulations, the responsible professor was forced to take the test on a different date from the official one. In such a case, the new exam modality will have to maintain the same level of difficulty as the one carried out in general for the rest of the group.

Continuous evaluation will account for 30 % of the final grade and aims to develop students' skills and stimulate the daily work and involvement in the teaching-learning process. The assessable activities will mainly consist of exercises and short written essays that will be scheduled in "Aula Virtual" throughout the course. Additionally, attendance and participation in classes and seminars will be evaluated. The assessment of this part of continuous evaluation may require participation in a minimum of the programmed activities. Continuous valuation give rise to a single qualification in the course, which will not be recoverable. That means the qualification of with which the student accesses the First Examination Call is the one that will be maintained in case he/she accesses the Second Call.

The final grade will be the weighted sum of the evaluation of the written exam and the continuous evaluation. Students who have followed the continuous assessment and have been assessed for it, in the event of not taking the final exam on the official exam date (both in the 1st and 2nd call) will obtain the qualification of NO GRADE REPORTED

Those students that have not participated regularly in the continuous assessment will be evaluated by the result of the final exam. In such a case, the maximum final grade they can obtain will be 7 points out of 10.

REFERENCES

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